

II. The Islamic State in 2016: a failing ‘caliphate’ but a growing transnational threat?

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Introduction

The Islamic State (IS) is a transnational Sunni Islamist insurgent and terrorist group that since 2014 has controlled large areas of Iraq and Syria, where it declared a caliphate in June 2014.¹ It also has affiliates and supporters in other states (e.g. that control limited areas of territory in Libya and a few districts in Afghanistan), and has disrupted regional and international security using violence often coordinated and supported by bureaucracies in Iraq and Syria that possess characteristics more usually associated with state institutions. As an ideologically based social movement with proto-state-level military capacity and objectives, it is unusual.² IS is often contrasted with its ideological predecessor and operational competitor, al-Qaeda, from which it split in 2013.³ Recent research also draws useful comparative and historical lessons from other terrorist organizations, such as the revolutionary warfare of Mao.⁴ Other analysts refer to IS as part of a ‘fourth wave’ of jihadist violence since the early 1990s.⁵

Although the rise of IS primarily reflects recent Iraqi and to a lesser extent Syrian history—Sunni exclusion and fragmentation after the invasion by the United States in 2003, severe treatment under Iraqi Prime Minister Nouri al-Maliki (in office in 2006–14), and the ruthlessness of President Bashar al-Assad’s Syrian Government and its allies—its roots are deeper than the current conflicts.⁶ IS also became a bigger problem than most governments and observers imagined possible for a complex mix of other reasons, most notably because some states prioritized other concerns (e.g. Turkey’s focus

¹ IS is also referred to by its former name, the Islamic State of Iraq and the Levant (ISIL)/Islamic State of Iraq and Syria (ISIS), and the Arabic acronym Daesh (for al-Dawlah al-Islamiyah fi al-Iraq wa al-Sham), which translates as the Islamic State in Iraq and the Levant/Syria. For background on IS, its goals, operations and affiliates, see Davis, I., ‘The aims, objectives and modus operandi of the Islamic State and the international response’, *SIPRI Yearbook 2016*, pp. 22–39.

² IS extremism is the product of a hybrid ideology that combines doctrinaire Salafism and other Islamist currents. See Hassan, H., *The Sectarianism of the Islamic State: Ideological Roots and Political Context* (Carnegie Endowment for International Peace: Washington, DC, June 2016).

³ See e.g. Brüggeman, U., ‘Al-Qaeda and the Islamic State: objectives, threat, countermeasures’, Federal Academy for Security Policy, Security Policy Working Paper no. 9 (2016).

⁴ See e.g. Englund, S. and Stohl, M., ‘Violent political movements: comparing the Shining Path to the Islamic State’, *Perspectives on Terrorism*, vol. 10, no. 4 (2016); and Whiteside, C., ‘New masters of revolutionary warfare: the Islamic State movement (2002-2016)’, *Perspectives on Terrorism*, vol. 10, no. 4 (2016).

⁵ See e.g. Bildt, C., ‘The fourth jihadist wave’, Project Syndicate, 22 Apr. 2016; and International Crisis Group, *Exploiting Disorder: al-Qaeda and the Islamic State*, 14 Mar. 2016.

⁶ As discussed in Davis (note 1). For more background on the rise of IS, see Stern, J. and Berger, J. M., *ISIS: The State of Terror* (HarperCollins: New York, 2016), pp. 33–52.

Table 3.2. Principal Islamic State affiliates and supporters in 2016

Country	Name (Year Affiliated)	Estimated Membership (Increase/Decrease on 2015)	Operations
Afghanistan/ Pakistan	Wilayah Khorasan (2015)	1000–3000 (decrease)	Seeking to expand its presence in northeastern Afghanistan and east of Qandahar; few attacks in 2016, but attack on Pakistan police academy in Oct. killed at least 61
Egypt	Sinai Province/ Wilayah Sinai (2014)	1000–1500 Bedouin Arabs, foreign fighters, Palestinian militants (no change)	Mostly targeted Egyptian security forces
Libya	Wilayah Tarabalus/ Barqa/ Fezzan (2014)	2000–6000 (among larger numbers of Salafi- jihadists) (no change/ decrease)	One of the most developed IS branches outside of Iraq and Syria (US intel. Feb 2016), but losses of territory in and around Sirte in mid- and late-2016
Nigeria	Wilayah Gharb Afriqiyyah (Boko Haram) (2015)	500–9000 (decrease and split into factions in Aug. 2016)	After Jan. 2016 Dalori attack (at least 86 killed) fewer and smaller attacks on remote villages and refugee camps; also reduced reach in Chad, Cameroon and Niger
North Caucasus	Wilayah Kavkaz (2015)	500–5000 (estimates vary)	Mainly an exodus to fight in Syria; handful of local assassinations and suicide attack (South Dagestan, Feb. 2016), which killed 4 and injured 18
Philippines	Abu Sayyaf (2014)	200–400 (no change/ increase)	Several kidnappings for ransom in 2016
Saudi Arabia	Wilayah Najd/ Haramayn/ Hijaz (2014)	Unknown, but <5000 suspected terrorists arrested since 2014	Several small-scale attacks in the state in 2016
Somalia	Islamic State (2015)	IS group is rival to larger al-Shabab group (unknown)	Seized port town of Qandala in Oct. 2016
Yemen	Wilayah al Yemen/ Wilayah Al Bayda/ Wilayah Aden- Abyan/ Wilayah Shabwah (2014)	300 (increase)	Multiple suicide attacks in 2016

Sources: Blanchard, C. M. and Humud, C. E., *The Islamic State and US Policy*, Congressional Research Service, R43612, 27 June 2016; Gordon, M., 'Islamic State building "little nests" in Afghanistan, US defense secretary warns', *New York Times*, 19 Dec. 2015; Jones, S. G., 'The Islamic State-Taliban rivalry in Afghanistan', *Lawfare*, 27 Nov. 2016; 'Sinai Province: Egypt's most dangerous group', BBC News, 12 May 2016; *The North Caucasus Insurgency and Syria: An Exported Jihad?*, Crisis Group Europe Report No. 238, 16 Mar. 2016; International Crisis Group, *Boko Haram on the Back Foot?*, Africa Briefing No. 120, 4 May 2016; Hubbard, B., 'ISIS turns Saudis against the Kingdom, and families against their own', *New York Times*, 31 Mar. 2016; Hookway, J., 'Terror grows in southern Philippines from militants linked to Islamic State', *Wall Street Journal*, 18 Nov. 2016; and Omar, F. and Sheikh, A., 'Islamic State-aligned group takes Somali town, say officials', Reuters, 26 Oct. 2016.

on the Kurds and the Gulf Cooperation Council's concern over Shia influence) and the influx of thousands of individuals from the Maghreb, Arabian peninsula and Europe who espoused and used extreme violence.

In 2016, as IS suffered a steady degradation on the ground in Iraq, Syria and Libya, terrorist attacks attributed to the group or to individuals it has inspired continued to cost hundreds of lives in the wider Middle East, Africa, South Asia and Europe. This section discusses the main developments inside IS in 2016 and the key political, economic and military responses by states in various geopolitical groupings in an attempt to weaken and ultimately destroy the group, as well as its longer-term appeal and legitimacy.

Affiliates and supporters of the Islamic State

While the core membership of IS remains in Iraq and Syria, its efforts have been reinforced by a network of foreign fighters and affiliated groups in several countries across four continents. At the end of 2015, the United Nations estimated that 34 non-state armed groups had recognized the IS caliphate and pledged loyalty to its leader, Abu Bakr al-Baghdadi.⁷ The most significant and capable IS affiliates are located in Afghanistan, Pakistan, Egypt, Libya, Nigeria, the North Caucasus, the Philippines, Saudi Arabia, Somalia and Yemen (see table 3.2).

The Islamic State's operations in 2016

Territory controlled by the Islamic State

At the end of 2016, IS continued to occupy areas of northern and western Iraq and northern and eastern Syria, albeit significantly less than at its peak in mid-2015 (see figure 3.4). Its remaining territories were becoming increasingly isolated from each other in the face of ongoing and planned military operations that involved international contributions. From a military perspective, IS appeared to be in decline, having ceded about 60 per cent of the territory it had once held in Iraq and about 30 per cent of the territory it had once held in Syria.⁸ It was estimated to have lost about a third of the land it had controlled in January 2015.⁹ US officials estimate that 60 000–65 000 fighters have passed through IS ranks since 2014, and about 45 000 of them have been killed in battle. The USA estimated the group's strength at around 15 000–20 000 fighters in December 2016, but it is difficult to determine

⁷ United Nations, Security Council, Report of the Secretary-General on the threat posed by ISIL (Da'esh) to international peace and security and the range of United Nations efforts in support of Member States in countering the threat, S/2016/92, 29 Jan. 2016.

⁸ White House, Office of the Press Secretary, Press Briefing by Press Secretary Josh Earnest and Special Presidential Envoy for the Global Coalition to Counter ISIL, Brett McGurk, 13 Dec. 2016.

⁹ IHS Markit, 'Islamic State lost almost a quarter of its territory in 2016, IHS Markit says', News release, 18 Jan. 2017.

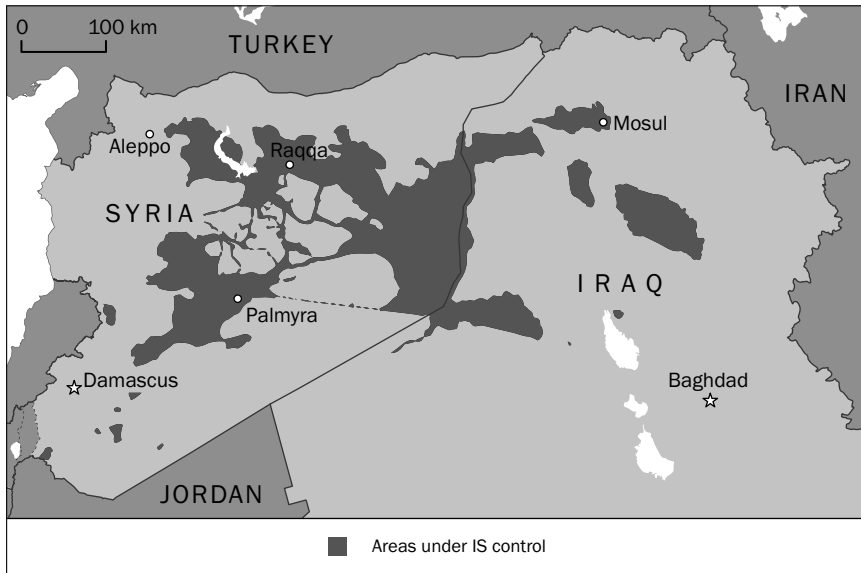


Figure 3.4. Areas under control of the Islamic State, December 2016

Credit: Hugo Ahlenius, Nordpil, <<https://nordpil.se/>>.

Source: BBC News, 'Islamic State and the crisis in Iraq and Syria in maps', 28 Apr. 2017, <<http://www.bbc.co.uk/news/world-middle-east-27838034>>.

accurate numbers.¹⁰ In addition, the group's finances, recruitment streams and leadership have been substantially disrupted.

IS affiliates also controlled some territory in Libya and Afghanistan. In Libya, the IS affiliate's stronghold in the central coastal city of Sirte came under siege in May 2016 and in December fell to local and regional fighters loyal to the emerging Government of National Accord (GNA).¹¹ IS losses in and around Sirte raised questions about the group's strength and its future in Libya.¹²

In Afghanistan, the IS presence initially grew in 2016 as additional Taliban factions declared allegiance to Islamic State-Khorasan Province (ISKP), which captured small territories primarily in eastern Afghanistan. However, largely due to Taliban military counteroffensives, as well as Afghan Government and US counterterrorism activities, the ISKP ended the year controlling little territory in the country. It conducted only a handful of attacks throughout the year and failed to secure the support of most locals.¹³

¹⁰ White House (note 8); and Associated Press, 'ISIS ranks dwindle to 15 000 amid "retreat on all fronts", claims Pentagon', *The Guardian*, 11 Aug. 2016.

¹¹ Wintour, P., 'ISIS loses control of Libyan city of Sirte', *The Guardian*, 5 Dec. 2016.

¹² See al-Khoei, H., Geranmayeh, E. and Toaldo, M., 'After ISIS: how to win the peace in Iraq and Libya', Policy Brief, European Council on Foreign Relations, Jan. 2017.

¹³ Jones, S. G., 'The Islamic State-Taliban rivalry in Afghanistan', *Lawfare*, 27 Nov. 2016.

Allegations of war crimes, atrocities and chemical weapon use

In March 2016, the US Secretary of State determined that IS had perpetrated genocide against minorities, including Yazidis, Christians, Shia Shabak, Shia Turkmen, Sabaeen-Mandaeans and Kaka'i—only the second finding of genocide by the US Government in an ongoing conflict.¹⁴ In addition, the UN Human Rights Council concluded in June that IS 'has committed, and continues to commit, the crime of genocide, as well as multiple crimes against humanity and war crimes, against the Yazidis', mainly in the Sinjar region in north-western Iraq.¹⁵

As Iraqi Government, Shia militia and Kurdish Peshmerga forces retook territory from IS, human rights abuses, mass killings of civilians and the discovery of mass graves began to be reported, indicating that the atrocities attributed to the group were increasing.¹⁶ IS also carried out suicide attacks in areas of Iraq and Syria not under its control. In June 2016, for example, the group claimed responsibility for a suicide bombing near a Shia shrine in Syria that killed 20 people, and in early July a suicide attack at a Baghdad market killed at least 165.¹⁷ In September, a series of suicide bombings across Syria killed at least 40 people.¹⁸ IS has also used children in battlefield operations as child fighters and suicide bombers.¹⁹

In addition, IS used water as a weapon to further its political and military aims in Syria and Iraq by retaining water and cutting off crucial supplies, while also flooding large areas and contaminating resources.²⁰

There have also been persistent and conflicting allegations of chemical weapon use in Syria and Iraq, including by IS, and these continued in 2016.²¹ The Organization for the Prohibition of Chemical Weapons–UN Joint Investigative Mechanism concluded that IS affiliates had used sulphur mustard in

¹⁴ Mohammed, A., 'Islamic State committed genocide against Christians, Shi'ites: US', Reuters, 17 Mar. 2016.

¹⁵ United Nations, Human Rights Council, "'They came to destroy': ISIS Crimes Against the Yazidis", A/HRC/32/CRP.2, 15 June 2016.

¹⁶ Miles, T., 'UN gets reports of massacres by Islamic State around Mosul', Reuters, 25 Oct. 2016; and Arango, T., 'Another mass grave dug by ISIS in Iraq, and a ghastly ritual renewed', *New York Times*, 30 Nov. 2016.

¹⁷ Fieldstadt, E., 'ISIS claims responsibility for blasts near Syrian Shiite shrine that killed at least 20', NBC News, 11 June 2016; and BBC News, 'Iraq suicide bomb attack: Deaths in Baghdad rise to 165', 4 July 2016.

¹⁸ Barnard, A., 'Syrian forces make gains near Aleppo with Russian help', *New York Times*, 5 Sep. 2016.

¹⁹ Hassan, A. A., 'Cubs of the Caliphate: why does ISIS use child suicide bombers?', *Future for Advanced Research and Studies*, 2 Sep. 2016.

²⁰ Von Lossow, T., 'The rebirth of water as a weapon: IS in Syria and Iraq', *International Spectator*, vol. 51, no. 3 (2016), pp. 82–99.

²¹ See chapter 13, sections I and II, in this volume; and chapter 18, section III, in *SIPRI Yearbook 2016*.

Marea, Syria. There are also reported cases of IS supporters attempting to procure nuclear materials.²²

Recruitment of local and foreign fighters

In 2016, the evidence suggests that the travel patterns of IS adherents changed in three main ways. First, fewer foreign fighters travelled to Syria and Iraq. Several causes have been suggested, such as better intelligence cooperation among source and transit countries; the actions taken by the Turkish Government to improve security along the Turkish–Syrian border; that the pool of readily mobile recruits available in 2014–15 may have been used up; that IS losses since 2015 have blunted its appeal, making it harder to mobilize fighters; and that the counter-mobilization in 2015 of hardline Salafi and jihadi figures (largely on the side of al-Qaeda) may have had an effect on its target audience.²³ Second, more fighters travelled to Libya. Third, some IS adherents were looking to take advantage of refugee flows to Europe. Elements of the Sunni Muslim Syrian refugee diaspora are particularly vulnerable to radicalization once in Europe, and may be specifically targeted by Islamist extremist recruiters.²⁴

According to US estimates, up to 36 500 individuals from more than 100 countries have travelled to Syria to engage in combat as members of various armed groups since 2012, including more than 6600 citizens from Western states.²⁵ Most are likely to have joined the ranks of IS. The flow of foreign fighters from the North Caucasus has also been significant. Four Russian citizens were arrested in southern Turkey on 11 January 2016, the day before an IS suicide bombing in Istanbul, and 99 Russian citizens were arrested in Turkey in 2015 while trying to join IS, one-tenth of all such detainees.²⁶

There are concerns that the radicalization of young Muslims has spread to countries not normally associated with IS. India's Muslim population, for example, the third largest in the world, has contributed negligible numbers to IS to date, but concerns are now growing over the group's influence in

²² Kaplan, M., 'ISIS radioactive "dirty bomb"? Islamic State group sought nuclear material in Belgium, authorities say', *International Business Times*, 29 Feb. 2016.

²³ See e.g. Chairman of the US Joint Chiefs of Staff Gen. Joseph Dunford, Testimony before the Senate Armed Services Committee, 28 Apr. 2016; Faiola, A. and Mekhennet, S., 'Tracing the path of four terrorists sent to Europe by the Islamic State', *Washington Post*, 22 Apr. 2016; and Dodwell, B., Milton, D. and Ressler, D., 'Then and now: comparing the flow of foreign fighters to AQI and the Islamic State', Combating Terrorism Center at West Point, United States Military Academy, Dec. 2016. For an overview of international efforts to prevent the travel of foreign fighters see Davis (note 1), pp. 36–38.

²⁴ Europol, *Changes in Modus Operandi of Islamic State (IS) revisited*, Nov. 2016.

²⁵ Based on a Feb. 2016 estimate by the US Office of the Director of National Intelligence, DNI Clapper, Statement for the Record, Worldwide Threat Assessment of the US Intelligence Community, Senate Armed Services Committee, 9 Feb. 2016.

²⁶ International Crisis Group, *The North Caucasus Insurgency and Syria: An Exported Jihad?*, Europe Report no. 238 (International Crisis Group: Brussels, 16 Mar. 2016), p. 10.

the country.²⁷ Similar concerns have been expressed in Central Asia, Kosovo and Sudan.²⁸

Targets outside Iraq and Syria

IS claimed responsibility for numerous terrorist attacks outside the Middle East and North Africa region in 2016. The role of IS leaders in directing or providing practical supporting for the attacks—such as in Berlin, Dhaka, Istanbul, Nice, Orlando or Quetta, among others—is often unclear or contested.²⁹ In some so-called lone-wolf attacks—which are often enabled by a support network—it has been difficult to establish from public sources whether the objective of the attack was to commit a terrorist act or a criminal act; a ‘quest for personal significance’ prompted by personal experience, ideology or social pressure; or was the result of psychiatric problems.³⁰ That said, IS leaders have certainly encouraged independently organized and executed attacks by individuals who seek to support the group. In May 2016, for example, IS spokesman Abu Mohammed al-Adnani urged IS supporters in Europe and the USA to carry out such attacks.³¹ Some of the attacks are thought to have been directed or coordinated by a special IS unit dedicated to exporting terrorism abroad.³²

Europol, the law enforcement agency of the European Union (EU), concluded in November that the scale and impact of lone-wolf attacks were increasing, especially on soft targets with the aim of causing mass casu-

²⁷ Safi, M., ‘How ISIS recruiters found fertile ground in Kerala, India’s tourist gem’, *The Guardian*, 29 Nov. 2016.

²⁸ Botobekov, U., ‘Is Central Asia ready to face ISIS?’ *The Diplomat*, 8 July 2016; Seifert, A. C., ‘Preventing the “Islamic State” in Central Asia: conditions, risks and peace policy requirements’, Federal Academy for Security Policy, Security Policy Working Paper no. 7 (2016); Gall, C., ‘How Kosovo was turned into fertile ground for ISIS’, *New York Times*, 21 May 2016; and International Crisis Group, *Sudan’s Islamists: From Salvation to Survival*, Africa Briefing no. 119 (International Crisis Group: Brussels, 21 Mar. 2016).

²⁹ Borger, J. and MacAskill, E., ‘Truck attacks in Berlin and Nice reflect change in ISIS tactics’, *The Guardian*, 20 Dec. 2016; Manik, J. A., Anand, G. and Barry, E., ‘Bangladesh attack is new evidence that ISIS has shifted its focus beyond the Mideast’, *New York Times*, 2 July 2016; Sokirianskaia, E., Göksel, N. and Mandiraci, B., ‘The struggle with Islamic State that Turkey hoped to avoid’, International Crisis Group, 4 July 2016; Rubin, A. J., Blaise, L., Nossiter, A. and Breeden, A., ‘France says truck attacker was Tunisia native with record of petty crime’, *New York Times*, 15 July 2016; BBC News, ‘Orlando nightclub shooting: how the attack unfolded’, 15 June 2016; and Hussain, S. and Cunningham, E., ‘Militants assault police cadets in Pakistan, killing scores’, *Washington Post*, 25 Oct. 2016.

³⁰ Mazzetti, M. and Schmitt, E., ‘In the age of ISIS, who’s a terrorist, and who’s simply deranged?’, *New York Times*, 17 July 2016. For recent research on 120 perpetrators of lone-actor terrorism in the European Union between 2000 and 2014 see Ellis, C. et al., ‘Analysing the processes of lone-actor terrorism: research findings’, *Perspectives on Terrorism*, vol. 10, no. 2 (2016); and de Roy van Zuijdewijn, J. and Bakker, E., ‘Analysing personal characteristics of lone-actor terrorists: research findings and recommendations’, *Perspectives on Terrorism*, vol. 10, no. 2 (2016).

³¹ Blanchard, C. M. and Humud, C. E., *The ‘Islamic State’ and US Policy*, Congressional Research Service (CRS) Report for Congress R43612 (US Congress, CRS: Washington, DC, 2 Feb. 2017), p. 10.

³² Callimachi, R., ‘How a secretive branch of ISIS built a global network of killers’, *New York Times*, 3 Aug. 2016.

alties.³³ The IS attacks in Europe have resulted in an increased sense of vulnerability and calls for the imposition of internal EU border checks and controls.³⁴ The Director of the US Central Intelligence Agency (CIA), John Brennan, stated in June 2016 that the group ‘remains a formidable adversary’ and that the CIA expects it to rely more on high-profile attacks outside its territory to compensate for territorial losses.³⁵

International military opposition to the Islamic State

IS and its regional supporters tend to flourish in ungoverned or weakly governed areas of countries affected by conflict or political instability. Hence, it is widely argued that combating IS should be part of a broader and longer-term effort to restore security, tackle political injustice, increase economic output and promote effective governance in such fragile states. However, in 2016, as in previous years, these efforts were overshadowed by military efforts.

US-led international military operations against the Islamic State

Within the framework of Operation Inherent Resolve, the US-led Global Coalition formed in September 2014 continued to set the pace for external military operations against IS in 2016.³⁶ Using three main military components—airstrikes, training and equipping local security forces, and targeted special operations—the coalition aimed to further disrupt the group’s ability to operate freely within and between Iraq and Syria, sever the group’s remaining access to the Turkish border in Syria, and isolate and eventually recapture the IS strongholds of Mosul (Iraq) and Raqqa (Syria).³⁷ While the US strategy remained to work through local partners, additional US military personnel were deployed to both Iraq and Syria in 2016.

According to the US Department of Defense, as of 15 December 2016 the US-led coalition had used combat aircraft, armed unmanned aerial vehicles

³³ Europol (note 24).

³⁴ Renard, T., *Fear Not: A Critical Perspective on the Terrorist Threat in Europe*, Egmont Royal Institute for International Relations, Security Policy Brief no. 77 (Egmont Institute: Brussels, Sep. 2016); and *The Guardian*, ‘The Guardian view on terror attacks: a proportionate response required’, 22 Dec. 2016.

³⁵ Brennan, J., CIA Director, Testimony before the Select Senate Committee on Intelligence, 16 June 2016. In the USA, IS supporters accounted for 67 ‘homegrown violent jihadist plots’ between 2014 and early June 2016. Bjelopera, J. P., *The Islamic State’s Acolytes and the Challenges They Pose to US Law Enforcement*, Congressional Research Service (CRS) Report for Congress R44521 (US Congress, CRS: Washington, DC, 13 June 2016); Dodd, V., ‘ISIS commanders “liaised with plotters planning to attack UK in past year”’, *The Guardian*, 24 Dec. 2016; and BBC News, ‘France foiling terror plots “daily”: Prime Minister Manuel Valls’, 11 Sep. 2016.

³⁶ The global coalition is known by several names, such as the ‘Global Coalition against Daesh’ and the ‘Global Coalition to Counter ISIL’, see the Global Coalition website <<http://theglobalcoalition.org/>>; and the Operation Inherent Resolve website, <<http://www.inherentresolve.mil/>>.

³⁷ White House (note 8).

and sea-launched cruise missiles to conduct 16 806 airstrikes against IS targets—10 678 in Iraq and 6128 in Syria since 8 August 2014 and 22 September 2014, respectively—at a cost of \$10.06 billion.³⁸ These statistics have been questioned since they appear to exclude certain categories of airstrike.³⁹ At least 8 coalition countries have participated in airstrikes in Iraq and at least 11 in Syria.⁴⁰ One of the key strategies has been to target the IS leadership. In June 2016, the US military claimed that it had killed more than 120 IS leaders and ‘high-value individuals’ in the previous six months.⁴¹

The USA and coalition forces have also targeted airstrikes and other military operations against IS affiliates in Afghanistan and Libya. In June 2016, for example, US, French and British special forces were reported to be supporting certain Libyan militias in the fight against IS, while between August and late November the USA carried out 420 airstrikes against the IS stronghold in Sirte.⁴² In Afghanistan, the USA conducted around 240 airstrikes against the ISKP in January–October 2016.⁴³

In Syria, the context shifted dramatically during the year (see section I). IS fighters lost territory in the north-east to Kurdish and Arab forces backed by coalition airpower and, as discussed below, in the countryside east of Aleppo to pro-Assad forces backed by Russian airpower. In late May 2016, the Syrian Democratic Forces (SDF) launched a new offensive to retake the city of Manbij and its surroundings, backed by US and coalition air support and ‘advisers’ on the ground.⁴⁴ Following heavy resistance from IS fighters, and reports of civilian deaths from US airstrikes, SDF forces captured Manbij in August.⁴⁵

The wider pocket of IS territory along the border was left for Turkish-backed rebels to attack from the north. Also in August, a Turkish-led operation used special forces to clear the Syrian border town of Jarabulus of IS fighters, while at the same time seeking to degrade the US-backed Kurd-

³⁸ US Department of Defense, ‘Operation Inherent Resolve: targeted operations against ISIL terrorists’, accessed 20 Dec. 2016; and Blanchard and Humud (note 31).

³⁹ DeGrandpre, A. and Snow, S., ‘The US military stats on deadly airstrikes are wrong: thousands have gone unreported’, *Military Times*, 5 Feb. 2017.

⁴⁰ The countries that have participated in the strikes in Iraq are: Australia, Belgium, Canada, Denmark, France, Jordan, the Netherlands and the UK; and in Syria: Australia, Bahrain, Canada, Denmark, France, Jordan, the Netherlands, Saudi Arabia, Turkey, the UAE and UK.

⁴¹ See Hennigan, W. J., ‘US military says it has killed more than 120 Islamic State leaders’, *Los Angeles Times*, 11 June 2016; and Dozier, K., ‘US Special Ops kill 40 ISIS operatives responsible for attacks from Paris to Egypt’, *Daily Beast*, 28 Apr. 2016.

⁴² Reuters, ‘Libyan forces edge forward against Islamic State holdouts in Sirte’, 24 Nov. 2016; and Blanchard and Humud (note 31).

⁴³ Blanchard and Humud (note 31), p. 24.

⁴⁴ On the SDF see section I, footnote 11, in this chapter.

⁴⁵ Humud, C. E., Blanchard, C. M. and Nikitin, M. B. D., *Armed Conflict in Syria: Overview and US Response*, Congressional Research Service (CRS) Report for Congress RL33487 (US Congress, CRS: Washington, DC, 28 Sep. 2016), p. 8.

ish People's Protection Units (YPG).⁴⁶ By September, the Turkish military had sealed the border area, and it was agreed that US special forces would cooperate with the Turkish military and some Syrian opposition forces in northern Syria in a 'train, advise and assist' capacity.⁴⁷ In October, IS forces retreated from the Syrian village of Dabiq, a key symbolic focus of the group's narrative that is portrayed as the site of a world-ending confrontation with the West.⁴⁸

In Iraq, IS fighters suffered a series of losses to various Iraqi and Kurdish forces in Tikrit, Baiji, Sinjar, Ramadi, Hit, Haditha, Rutbah, Fallujah and surrounding areas. At the end of 2016, IS fighters were attempting to hold Iraq's second-largest city, Mosul, and the UN warned that over one million civilians might be displaced in the battle for the city.⁴⁹ In addition to US and coalition airstrikes against IS forces, 5000–6000 US military personnel, including contractors and special forces, were playing a mainly non-combat supporting role on the ground.⁵⁰ France and the UK also deployed special forces.⁵¹

Overall, however, despite regaining territory from IS, Iraq remained mired in political and economic crises, as Iraqi leaders and factions—the Peshmerga, the Popular Mobilization Forces and groups of armed minority factions, such as Christians, Yazidis, Shabaks and Turkmen, as well as national and tribal mobilized forces—competed for advantage.

Russia's intervention in Syria

Russia's initial airstrikes in late 2015 did hit some IS targets, but the focus was on other Syrian opposition targets, including some groups reportedly backed by the USA.⁵² In 2016, Russia expanded its targeting of IS forces

⁴⁶ Zaman, A., 'Turkish troops enter Syria to fight ISIS, may also target US-backed Kurdish militia', Woodrow Wilson Center, 24 Aug. 2016. For a discussion of the role of Kurdish politics in the region, see Özel, S. and Yilmaz, A., 'The Kurds in the Middle East, 2015', *SIPRI Yearbook 2016*, pp. 53–71. On Turkish politics see also chapter 4, section III, in this volume.

⁴⁷ Humud, Blanchard and Nikitin (note 45), p. 11.

⁴⁸ McDowall, A. and Perry, T., 'Syrian rebels seize "doomsday" village where Islamic State promised final battle', Reuters, 17 Oct. 2016; and Noack, R., 'The ISIS apocalypse has been postponed but the militants might still believe in it', *Washington Post*, 17 Oct. 2016.

⁴⁹ Nordland, R., 'Iraqi forces attack Mosul, a beleaguered stronghold for ISIS', *New York Times*, 16 Oct. 2016; and Arango, T., Schmitt, E. and Callimachi, R., 'Hungry, thirsty and bloodied in battle to retake Mosul from ISIS', *New York Times*, 18 Dec. 2016.

⁵⁰ The extent to which US ground forces, especially special forces, were in combat in Iraq in 2016 was a contested issue in US politics. See Wright, R., 'On the American front line against ISIS', *The New Yorker*, 29 Mar. 2016; and Giglio, M., 'Inside the real US ground war on ISIS', *BuzzFeed News*, 18 Aug. 2016.

⁵¹ Middle East Eye 'British special forces in Iraq presented with a "kill or capture" list of UK nationals', 6 Nov. 2016; and Reuters, 'Islamic State drone kills two Kurdish fighters, wounds two French soldiers', 12 Oct. 2016.

⁵² Cooper, H., Gordon, M. R. and MacFarquhar, N., 'Russians strike targets in Syria, but not ISIS areas', *New York Times*, 30 Sep. 2015. See also the Russian Ministry of Defence homepage on air-strike operations in Syria, <<http://syria.mil.ru/en/index/syria.htm>> (in Russian and English).

and continued to resupply the Syrian military forces. In early January 2017, the Chief of Russia's General Staff, Army General Valery Gerasimov, stated that Russia had conducted 19 160 sorties and 71 000 airstrikes in Syria since October 2015.⁵³

Like the US-coalition backed groups, Russia and the Assad regime also suffered some military setbacks against IS. In December, for example, IS retook Palmyra. IS had captured the city in May 2015, and Russia supported the regime's campaign to retake it in March as a sign of the effectiveness of its intervention. It even hosted a concert in the city in May.⁵⁴ This battlefield fluidity underlines the transience of some Syrian Government victories. (For Russia's wider involvement in the Syrian conflict see section I.)

In addition to Russian support, which was mainly focused on airstrikes and the supply of weapons, Iran provided significant battlefield command and control support and Hezbollah provided 'boots on the ground'.⁵⁵ Russia also used its intervention in Syria to seek cooperation with the USA on combating an expanded range of terrorist groups—not just IS and its associates, but any group that is fighting the Syrian Government.

Casualties from the conflict with IS

Exact numbers of casualties from the conflict with IS are not available.⁵⁶ According to the UN, more than 26 200 civilians have been killed in acts of terrorism, violence and armed conflict in Iraq since January 2014.⁵⁷ The UN no longer keeps track of casualty figures in Syria due to the inaccessibility of many areas and the conflicting reports from the various parties to the war there. Hence, there are no reliable casualty statistics for Syria, although estimates suggest that the number of people killed in the country since March 2011, including an unknown number of civilians, could be as high as 400 000.⁵⁸

The number of parties to the conflicts in Iraq and Syria makes holding specific state and non-state actors responsible for civilian casualties extremely challenging, especially given the wide variations in transparency

⁵³ TASS, 'General Staff reports on Russia's air group success in Syria since start of campaign', 10 Jan. 2017.

⁵⁴ Kramer, A. E. and Higgins, A., 'In Syria, Russia plays Bach where ISIS executed 25', *New York Times*, 5 May 2016.

⁵⁵ Fulton, W., Holliday, J. and Wyer, S., *Iranian Strategy in Syria* (Institute for the Study of War: May 2013); and Choucair, C., *Hezbollah in Syria: Gains, Losses and Changes* (Aljazeera Centre for Studies: Doha, 1 June 2016).

⁵⁶ On casualty reporting in armed conflict, see Giger, A., 'Casualty reporting in armed conflict: methods and normative issues', *SIPRI Yearbook 2016*, pp. 247–61.

⁵⁷ United Nations Iraq, 'Civilian casualties', accessed 30 Dec. 2016.

⁵⁸ Al Jazeera, 'Syria death toll: UN envoy estimates 400 000 killed', 23 Apr. 2016.

standards.⁵⁹ The US military, one of the more transparent external parties, admitted in April 2016 that its relaxed targeting rules for airstrikes against IS would result in more civilian casualties.⁶⁰ The US Central Command announced at the end of December that ‘at least 188 civilians have been unintentionally killed by coalition strikes’ since the start of the bombing campaign in August 2014. One independent group, Airwars, has suggested there were at least 2100 civilian deaths linked to coalition airstrikes during the period August 2014 to December 2016.⁶¹

However, Russian and Syrian airstrikes are generally thought to be even more indiscriminate in their targeting practices. Airwars estimates at least 2200 civilian deaths from Russian airstrikes in just the seven-month period from 1 October 2015 to 30 April 2016. A UN board of inquiry implied that either Syrian or Russian aircraft were responsible for the airstrikes that destroyed a humanitarian aid convoy on the outskirts of Aleppo in September 2016.⁶²

Economic and other measures against the Islamic State

The economic war against IS

In 2016 it became apparent that IS was finally experiencing financial problems. In its Raqqa Province, for example, salaries to members including fighters were cut by 50 per cent.⁶³ The group relies on infrastructure and institutions more usually associated with a state, such as oil sales, taxation of inhabitants, cash holdings in banks, the sale of antiquities and ransoms, as well as access to national and international financial systems. The IS oil market is thought to be largely internal, which means that it is predominantly sold in the territory under the group’s control through a sophisticated supply chain. These revenue streams are also key points of vulnerability, and targeting them has been the focus of an international economic war with both military and non-military dimensions conducted by several states.⁶⁴

⁵⁹ Wide variations in transparency standards even exist within the US coalition. See e.g. Remote Control, *Limited Accountability: A Transparency Audit of the Coalition Air War against so-called Islamic State* (Remote Control/Oxford Research Group: London, Dec. 2016).

⁶⁰ Brook, T. V., ‘New rules allow more civilian casualties in air war against ISIL’, *USA Today*, 19 Apr. 2016.

⁶¹ Airwars, ‘Summary findings on Coalition airstrikes: August 8th 2014 to December 30th 2016’, accessed 3 Jan. 2017.

⁶² Airwars, ‘Summary findings on Russian airstrikes: September 30th 2015 to April 30th 2016 only’, accessed 3 Jan. 2016; and Sengupta, S., ‘UN inquiry alludes to Russia and Syria as bombers of aid convoy’, *New York Times*, 21 Dec. 2016. See also the discussion in chapter 14, section I, in this volume.

⁶³ Chen, C., ‘50 percent pay cut: a tough break for ISIS fighters’, *Christian Science Monitor*, 19 Jan. 2016.

⁶⁴ See e.g. British House of Commons, Foreign Affairs Committee, *The UK’s Role in the Economic War against ISIL*, HC 121, 12 July 2016.

The campaign of US-led coalition airstrikes has targeted elements of the IS oil infrastructure, while US-backed Iraqi forces have been retaking the territory that contains oil wells. In September the Iraqi oil ministry confirmed that IS had been removed by government forces from an area near Kirkuk and no longer controlled any oil wells in the country.⁶⁵ As of the end of 2016, IS still controlled about 60 per cent of Syria's oil production.⁶⁶

Airstrikes have also destroyed cash holdings and targeted key IS financial operations.⁶⁷ As its oil and tax revenues decline, however, through loss of territory and as a result of other measures, IS is likely to return to more traditional forms of illicit terrorist funding such as kidnapping and smuggling.

Denying the group access to local or international financial systems—whether through the bank branches under the group's control or more informal methods of transferring money such as the 'Hawala' system—is a key part of the strategy to defeat IS.⁶⁸ The Counter-ISIL Finance Group (CIFG), co-chaired by Italy, Saudi Arabia and the USA, is working to deny IS access to the international financial system.

States in the region are reported to be establishing the legal and institutional infrastructure required to counter IS's ability to raise finances.⁶⁹ A nascent global framework for internationally coordinated action is now in place. UN Security Council Resolution 2253 contains important provisions that member states are expected to enact, such as preventing donations to IS, freezing its assets and inhibiting trade with the group.⁷⁰ However, the effectiveness of these efforts—by individual states and globally—is likely to vary due to a lack of uniform enforcement and uneven implementation by some regional states.⁷¹

Combating IS propaganda and other efforts to counter violent extremism

Programmes to counter violent extremism (CVE) have been set up in Africa, Asia, Europe, the Middle East and North America. Many of these programmes are not limited to countering IS, or even Islamist extremism, but are also directed at other forms of violent extremism. These efforts

⁶⁵ Reuters, 'Islamic State loses control of last oil wells in Iraq: oil ministry', 28 Sep. 2016.

⁶⁶ Cooke, K., 'Toxic hell of Syria's oil fields', Middle East Eye, 1 Dec. 2016. For an assessment of IS's system of oil production and the challenges of disrupting it using airstrikes, see Solomon, E., Kwong, R. and Bernard, S., 'Inside ISIS Inc.: the journey of a barrel of oil', *Financial Times*, 29 Feb. 2016.

⁶⁷ In Mar. 2016 e.g. a raid by US Special Forces killed 'Haji Imam', who was believed to have acted as the IS finance minister. US Department of Defense, 'Carter: US military targets key ISIL terrorists', News release, 25 Mar. 2016.

⁶⁸ The 'Hawala' system, more formally known as an Alternative Value Transfer System (AVTS), is an unofficial method of transferring money without necessarily moving cash, based on a relationship of trust between different money traders in different locations.

⁶⁹ For a description of these steps, see British Ministry of Defence, 'Written evidence from Ministry of Defence (sif0006): UK Ministry of Defence additional written evidence to the Foreign Affairs Sub Committee on ISIL financing following the oral evidence session on 26 April 2016', May 2016.

⁷⁰ United Nations Security Council Resolution 2253, 17 Dec. 2015.

⁷¹ British House of Commons (note 64), p. 18.

include a wide range of preventative and largely non-coercive measures, such as community and interfaith dialogues, media messaging and training for state governance and security actors, as well as a variety of initiatives with individuals deemed to be ‘at risk’ of being drawn into violence, such as vocational training and mentoring programmes.⁷² In France, for example, 12 de-radicalization centres were opened in 2016 to complement other long-standing programmes to tackle extremism.⁷³

While CVE is now firmly entrenched at the heart of European and global counterterrorism efforts, it remains ill-defined, complex and controversial.⁷⁴ The drivers of violent extremism tend to be highly variable and context-specific; radicalization is therefore an extremely complex process that involves both individual pathways and a societal context. A recent World Bank study of over 30 000 individuals from 27 developing countries around the world suggests that the typical extremist who supports attacks against civilians is more likely to be young, unemployed and struggling to make ends meet, relatively uneducated and not as religious as some, but more willing to sacrifice their own life for their beliefs.⁷⁵

A recent European study identifies two broad categories of people specifically attracted to IS: those drawn in through pre-existing kinship and friendship groups; and solitary, isolated adolescents within a ‘no future’ sub-culture.⁷⁶ It is also possible that a shift in IS gender roles is taking place, as there are reports of a growing number of radicalized women in the group.⁷⁷

Given this complexity, CVE measures are often tailored to specific targets, such as IS’s sophisticated social media arm, which it uses to provide information to fellow terrorists, recruit and radicalize, spread propaganda,

⁷² Khalil, J. and Zeuthen, M., *Countering Violent Extremism and Risk Reduction: A Guide to Programme Design and Evaluation*, Whitehall Report 2-16 (Royal United Services Institute: London, June 2016), p. 3. See also the discussion on CVE in chapter 6, section III, in this volume.

⁷³ McAuley, J., ‘France to open first of 12 “deradicalization” centers for at-risk youths’, *Washington Post*, 14 Sep. 2016.

⁷⁴ Coolsaet, R., ‘All Radicalisation is Local’: *The Genesis and Drawbacks of an Elusive Concept*, Egmont Royal Institute for International Relations, Paper no. 84 (Egmont Institute: Brussels, June 2016); Apuzzo, M., ‘Who will become a terrorist? Research yields few clues’, *New York Times*, 27 Mar. 2016; and Bower, B., ‘New studies explore why ordinary people turn terrorist’, *Science News*, 23 June 2016.

⁷⁵ Kiendrebeogo, Y. and Ianchovichina, E., *Who Supports Violent Extremism in Developing Countries? Analysis of Attitudes Based on Value Surveys*, Policy Research Working Paper no. 7691 (World Bank: Washington, DC, June 2016). See also Atran, S., ‘The devoted actor: unconditional commitment and intractable conflict across cultures’, *Current Anthropology*, vol. 57 (June 2016), pp. 192–203; and Gambetta, D. and Hertog, S., *Engineers of Jihad: The Curious Connection between Violent Extremism and Education* (Princeton University Press: Princeton, NJ, 2016).

⁷⁶ Coolsaet, R., *Facing the Fourth Foreign Fighters Wave: What Drives Europeans to Syria, and to Islamic State? Insights from the Belgian Case*, Egmont Royal Institute for International Relations, Paper no. 81 (Royal Institute for International Relations: Brussels, Mar. 2016).

⁷⁷ Rubin, A. J. and Breeden, A., ‘Women’s emergence as terrorists in France points to shift in ISIS gender roles’, *New York Times*, 1 Oct. 2016; and Whitehead, T., ‘Britain at risk from “enormous and spectacular” attacks by Islamic State extremists’, *Daily Telegraph*, 7 Mar. 2016.

raise funds, and coordinate and inspire attacks around the world. Influential IS social media experts and recruiters have been targeted by US and British drone strikes, while US law enforcement officials have identified and arrested nearly 100 suspected IS followers or recruiters through their social media links.⁷⁸ Overall, IS's propaganda output may be in decline, matching patterns of decline in territory, foreign fighters and money over the past year. IS media outlets published around 700 items in August 2015 but only 200 items in August 2016.⁷⁹

Following government monitoring and the closure of many IS websites, the group now operates mainly on the so-called dark web, a partially hidden network of sites, communities and platforms.⁸⁰ IS and other jihadist groups have also been adept at using new online applications that allow users to broadcast their messages to an unlimited number of members using encrypted mobile phone applications such as Telegram. In March 2016 alone, 700 new Telegram channels identified with IS were opened.⁸¹

Prospects for 2017 and beyond

Progress has been made in reducing the amount of territory held by IS fighters in Iraq and Syria, but the short- to medium-term outlook for the group's continued viability—as both a functioning governing body and a source of ideological, social and religious inspiration—is uncertain. Competition and discord between and among local actors in both countries continue to be the norm, exacerbated by intervention by and competition among regional and extra-regional actors—the Arab Gulf states, Iran, Russia, Turkey and the USA. These difficulties have become more immediate and relevant as IS forces have ceded territory, and further conflict seems likely over the governance and reconstruction of some recaptured areas.

IS dominance in Sunni areas of Iraq in particular is now receding. However, IS had a measure of popular support, there was substantial local recruitment of fighters—not just foreign fighters—and there is strong disapproval and distrust of some of the counterinsurgents.⁸² Unless this bedrock of local support is given a political outlet, the military 'defeat' of IS will simply cause the group to melt away into the mainly rural areas to fight on, possibly in a

⁷⁸ Goldman, A. and Schmitt, E., 'ISIS social media experts are killed as a result of FBI program', *New York Times*, 24 Nov. 2016.

⁷⁹ Milton, D., *Communication Breakdown: Unraveling the Islamic State's Media Efforts* (Combating Terrorism Center: West Point, NY, 10 Oct. 2016).

⁸⁰ Wemann, G., 'Terrorist migration to the dark web', *Perspectives on Terrorism*, vol. 10, no. 3 (2016).

⁸¹ Barak, M., 'The telegram chat software as an arena of activity to encourage the "lone wolf" phenomenon', International Center for Counter-Terrorism, 24 May 2016.

⁸² Whiteside (note 4).

different and even more lethal form of Salafi jihadism.⁸³ A post-IS vision of the Middle East is urgently needed.⁸⁴

A strengthening relationship between violent jihadism and criminality is a defining characteristic of recent terrorism, and the political vacuum created by a receding IS may exacerbate this trend.⁸⁵ Future IS-linked terrorist networks will be increasingly likely to combine often rapidly self-radicalized Muslims who have European citizenship and links to criminal gangs with IS leaders trained in Syria and Iraq, and refugees radicalized on the Internet. Hence, IS's intent and terrorist capabilities are unlikely to diminish in the coming years. As IS loses territory in its heartland, more foreign fighters will return to Europe and elsewhere and could carry out further attacks.

⁸³ McCants, W. and Whiteside, C., 'The Islamic State's coming rural revival', *Lawfare*, 23 Oct. 2016.

⁸⁴ See e.g. McCauley, C., 'What comes after ISIS? A peace proposal', *Perspectives on Terrorism*, vol. 10, no. 4 (2016).

⁸⁵ Gallagher, M., "'Criminalised'" Islamic State veterans: a future major threat in organised crime development?', *Perspectives on Terrorism*, vol. 10, no. 5 (2016).